

Message Text

LIMITED OFFICIAL USE

PAGE 01 CARACA 08649 312023Z
ACTION ARA-14

INFO OCT-01 ISO-00 EB-08 /023 W
-----005041 010540Z /23
R 311955Z AUG 77
FM AMEMBASSY CARACAS
TO USDOC WASHDC
INFO SECSTATE WASHDC 9036

LIMITED OFFICIAL USE CARACAS 8649

PASS TO OED/MEPD AND OIM

E.O. 11652: NA
TAGS: BENC, VE
SUBJECT: MAJOR PROJECT: CORPOZULIA STEEL AND COAL PROJECTS

REF: STATE 203535, CARAAS 6890, A-99

1. DURING CALL ON MINISTER OF THE PRESIDENCY CARMELO LAURIA BY DAS MORAN, THE LATTER MENTIONED BOTH THE INVITATION TO VISIT STEEL AND COAL PROJECTS WHICH WOULD BE EXTENDED TO CORPOZULIA PRESIDENT CHUMACEIRO BY DAS MORAN THE NEXT DAY AND THE POSSIBLE NATIONAL CONSTRUCTORS ASSOCIATION IOGA TRADE MISSION. LAURIA RESPONDED POSITIVELY, STATING THAT HE FELT THAT THERE SHOULD BE MUCH MORE DIRECT CONTACT BETWEEN AMERICAN BUSINESSMEN AND VENEZUELAN PUBLIC AND PRIVATE SECTOR DECISION-MAKERS. HE ENCOURAGED THE INVITATION

TO CHUMACEIRO, INDEED SUGGESTING THAT A LARGE GROUP OF VENEZUELAN BUSINESSMEN SHOULD BE INVITED TO VISIT INDUSTRIAL CENTERS IN THE US INSTEAD OF THE TRADITIONAL VISITS TO NEW YORK. HE AGREED TO RECEIVE THE NCA TRADE MISSION MEMBERS AND TO HELP ARRANGE APPOINTMENTS.

2. WITH REGARD TO THE CORPOZULIA STEEL PROJECT, MINISTER LAURIA WAS CATEGORICAL IN STATING THAT SIDERZULIA WOULD BE A JOINT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CARACA 08649 312023Z

VENTURE WITH MINORITY PARTICIPATION SOUGHT FROM A FOREIGN INVESTOR. HE REFERRED TO THE CVG-SIDOR EXPERIENCE IN TRYING TO SET UP A 100 PERCENT VENEZUELAN STEEL COMPLEX, CONCLUDING THAT THE NATIVE TECHNICAL AND MANAGERIAL EXPERTISE JUST WOULD NOT BE AVAILABLE. IN THE CASE OF SIDERZULIA, THE FOREIGN PARTNER WOULD BE EXPECTED TO PROVIDE FINANCING, TECHNOLOGY, AND MANAGEMENT. HE EXPRESSED A KEEN DESIRE FOR US PARTICIPATION WITHIN

THIS MODE.

3. DAS MORAN RECEIVED GUIDED TOUR OF CORPOZULIA'S AREA OF PLANNED OPERATIONS AND PRESENTED LETTER OF INVITATION TO VISIT RELEVANT PROJECT SITES IN THE US TO CHUMACEIRO. HE INDICATED A PREFERENCE TO SPACE OUT THE VISITS TO THE US SO THAT HE, ROMERO AND JOVES WOULD ALL NOT BE ABSENT AT ONCE. HE STRONGLY ARGUED FOR 100 PERCENT CORPOZULIA CONTROL OF THE SIDERZULIA PROJECT, IN CONTRAST TO MINISTER LAURIA'S CONCEPT PARA ONE ABOVE. SEE PREVIOUS EMBASSY REPORTING. CERTAINLY ELECTIONEERING IS INVOLVED AND EMBASSY WILL HAVE TO MONITOR SITUATION CLOSELY. FOR INSTANCE, CHUMACEIRO WILL BE CALLING ON ALL PRESIDENTIAL CANDIDATES TO VISIT CORPOZULIA AND WILL SEEK TO ELICIT THEIR COMMITMENT TO PROJECT. HE INDICATED CONCERN THAT AMERICAN FIRMS NOT SHOWING ENOUGH INTEREST AND WELCOMED POSSIBLE NCA IOGA. THIS POINT REITERATED BY ZULIA STATE GOVERNOR BARALT.

4. CHUMACEIRO DESCRIBED SCOPE OF BRITISH STEEL PARTICIPATION IN SIDERZULIA AS LIMITED EVEN IN THE CONSULTING PHASE AND THAT THEY DO NOT HAVE INSIDE TRACK IN SUBSEQUENT PHASES.

COMMENT: CHUMACEIRO PROBABLY IRRITATED THAT BRITISH STEEL IMPOSED ON HIM BY PRESIDENT PEREZ.

5. ACTION REQUEST: MEPD REQUESTED TO REORGANIZE VISIT TO US SO THAT CHUMACEIRO AND ROMERO VISIT SITES SEPARATELY. ADVISE PROPOSED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CARACA 08649 312023Z

SCHEDULING FOR END OF SEPTEMBER EARLY OCTOBER.
FRECHETTE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 31-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CARACA08649
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770316-0161
Format: TEL
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977085/aaaaadnm.tel
Line Count: 96
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 25158b58-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 203535, 77 CARACAS 6890
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1565396
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: CORPOZULIA STEEL AND COAL PROJECTS
TAGS: BENC, VE
To: COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/25158b58-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009